

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 PRS-01 SS-15 SSO-00 /027 W

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O R 102230Z FEB 76

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC NIACT IMMEDIATE 3855

INFO AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE SECTION 1 OF 4 BRASILIA 1206

FOR ARA/PAF, S/PRS (INFO)

E.O.11652: N/A

TAGS: OVIP (KISSINGER, HENRY A.)

SUBJECT: PRESS QUESTIONS RE SECRETARY'S TRIP

REF: STATE 28639

FOLLOWING ARE QUESTIONS THE EMBASSY BELIEVES MOST LIKELY,
WITH DRAFT OF ANSWERS, EXCEPT IN A FEW CASES (INDICATED
BELOW) WHERE THE EMBASSY BELIEVES THE DEPARTMENT HAS
BETTER INFORMATION THAN IT HAS:

POLITICAL QUESTIONS

1. Q. - WHAT IS YOUR COMMENT ON BRAZILIAN POLICY WITH
REGARD TO THE ANTI-ZIONIST VOTE AND ANGOLA?

1. A. - NATURALLY, IT IS NOT FOR ME TO COMMENT ON THE
POLICIES OF BRAZIL. ADMITTEDLY, THOUGH, THERE ARE
DIFFERENCES IN THE WAY OUR TWO COUNTRIES APPROACH
THESE QUESTIONS. THE US VIGOROUSLY OPPOSED THE ANTI-
ZIONISM VOTE AND REMAINS OF THE VIEW THAT ZIONISM
AND RACISM ARE POLES APART. ON ANGOLA, WE HAVE
PREFERRED TO WITHHOLD RECOGNITION OF ANY ONE OF THE CONTESTING
GROUPS IN THE HOPE THAT A COMPROMISE SOLUTION
COULD BE WORKED OUT WHICH WOULD REFLECT THE INTERESTS OF
ALL THE ANGOLAN PEOPLE.

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2. Q. BRAZIL IS A MAJOR ALLY AND SPECIAL FRIEND OF THE U.S. YET YOU ARE CLOSING OUT YOUR AID PROGRAM. IS THIS BECAUSE YOU ARE ANGRY AT RECENT BRAZILIAN VOTES IN THE UN AND OUR RECOGNITION OF THE MPLA IN ANGOLA?

2. A. THE PHASE-DOWN OF AID IN BRAZIL IS TOTALLY UNRELATED TO THE ACTIONS YOU MENTION: IT IS A DECISION OF LONG STANDING, ONE COMMUNICATED TO THE GOB: IT IS THE RESULT OF BRAZIL'S ECONOMIC PROGRESS. THAT PROGRESS IN THE LATE SIXTIES AND THE SEVENTIES WAS SUCH THAT FURTHER CONCESSIONAL BILATERAL ASSISTANCE WAS NO LONGER DEEMED NECESSARY. IN FACT, NO REQUEST TO CONGRESS FOR NEW CONCESSIONAL LOANS TO BRAZIL HAS BEEN MADE SINCE 1973. EVEN SO, AT THE PRESENT TIME, THERE STILL REMAIN ABOUT 100 MILLION DOLLARS IN THE AID-BRAZIL PIPELINE, WHICH ARE TO BE SPENT ON HEALTH, EDUCATION, AGRICULTURE AND SCIENCE AND TECHNOLOGY. IN OVER 30 YEARS OF AID ACTIVITY HERE, APPROXIMATELY 2.3 BILLION DOLLARS HAVE BEEN SPENT. BRAZILIAN ECONOMIC DEVELOPMENT, TO WHICH WE ARE HAPPY TO HAVE CONTRIBUTED, HAS NOW MADE IT POSSIBLE FOR BRAZIL TO HAVE GREATER ACCESS TO MULTILATERAL LENDING ORGANIZATIONS SUCH AS THE WORLD BANK AND THE INTER-AMERICAN DEVELOPMENT BANK AND TO THE U.S. AND INTERNATIONAL BANKING COMMUNITIES. TODAY, BRAZIL IS A MAJOR CLIENT OF THE U.S. EXPORT-IMPORT BANK. A SIGNIFICANT SIGN OF PROGRESS IS THAT TODAY TRANSFERS OF RESOURCES FROM THESE SOURCES ARE MORE THAN DOUBLE THE RESOURCE TRANSFERS FROM AID IN THE LATE SIXTIES, WHEN AID WAS BRAZIL'S MAJOR SOURCE OF ECONOMIC ASSISTANCE.

3. Q. WHY DID THE U.S. DIVULGE ITS NOTE OF PROTEST TO BRAZIL OF THE BRAZILIAN VOTE ON THE ANTI-ZIONISM RESOLUTION AT THE UN?

3. A. WE DID NOT. THE EXISTENCE OF SUCH A NOTE WAS MADE KNOWN IN WASHINGTON, BUT THE TEXT OF THE NOTE WAS NEVER RELEASED.

4. Q. WHY DID THE US SEND SUCH NOTES TO ONLY A FEW COUNTRIES?
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4. A. IT SEEMED REASONABLE TO ADDRESS OURSELVES TO COUNTRIES WITH WHICH WE CAN DIALOGUE IN FRIENDLY FASHION, RATHER THAN TO THOSE WHOSE HOSTILITY TO THE ISRAELI CAUSE IS ALREADY FIRMLY ESTABLISHED.

5. Q. IS THE USG CONCERNED OVER THE HUMAN RIGHTS SITUATION IN BRAZIL?

5. A. WE STRONGLY SUPPORT RESPECT FOR HUMAN RIGHTS EVERYWHERE, A POSITION SET FORTH IN THE DRAFT RESOLUTION WHICH WE INTRODUCED AT THE UNGA LAST FALL.

6. Q. WHY ARE COUNTRIES LIKE BRAZIL AND CHILE SINGLED OUT FOR CRITICISM ON HUMAN-RIGHTS GROUNDS WHEN SO MANY COMMUNIST COUNTRIES, WHICH SYSTEMATICALLY AND DELIBERATELY VIOLATE HUMAN RIGHTS, ARE LET ALONE?

6. A. SOME OF THE CRITICISM ON HUMAN RIGHTS IS NO DOUBT POLITICALLY INSPIRED, WHILE SOME IS NOT. IN OUR OWN CASE, I THINK THE SECOND IS CLEAR THAT WE HAVE NOT DISCRIMINATED ON IDEOLOGICAL GROUNDS. IN FACT WE HAVE CONSTANTLY SOUGHT, E.G., IN OUR PROPOSAL AT LAST FALL'S UNGA, TO BRING THE INTERNATIONAL EFFORT ON BEHALF OF HUMAN RIGHTS INTO A BETTER BALANCE.

7 Q. DID YOU DISCUSS HUMAN RIGHTS IN YOUR TALKS HERE?

7. A. (FOR USE IN EVENT HUMAN RIGHTS WERE IN FACT DISCUSSED). WE HAVE DISCUSSED HUMAN RIGHTS AND WHAT CAN BE DONE TO STRENGTHEN THEM WITH VARIOUS GOVERNMENTS AROUND THE WORLD. IT WOULD NOT, I THINK, BE EITHER APPROPRIATE OR HELPFUL TO GO INTO SPECIFIC DETAIL ABOUT ANY OF THESE DISCUSSIONS.

8. Q. BRAZIL HAS RECENTLY BEEN SEEN BY MANY AS MOVING AWAY FROM THE US AND ASSOCIATING ITSELF MORE CLOSELY WITH THE THIRD WORLD. WHAT DO YOU THINK OF THIS?

8. A. I THINK THE AGREEMENT WE HAVE JUST SIGNED SUGGESTS THE THESIS MAY BE OVERSTATED, BUT I WILL LIMITED OFFICIAL USE

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NOT PRETEND TO BE UNAWARE OF WHAT YOU ARE TALKING ABOUT. LET ME JUST SAY THAT DIFFERENT COUNTRIES WILL NATURALLY HAVE DIFFERENT INTERESTS. WHAT BRAZIL'S INTERNATIONAL INTERESTS ARE, MUST OF COURSE, BE DECIDED BY BRAZIL ITSELF. WE FEEL THAT AS BRAZIL CONTINUES TO DEVELOP, THERE WILL BE MANY POINTS WHERE THE INTERESTS OF BRAZIL AND THE U.S. WILL COINCIDE, AND WE WANT TO INSURE THAT OUR TWO COUNTRIES WILL WORK CLOSELY TOGETHER IN THE FUTURE AS WE HAVE IN THE PAST.

9. Q. HOW DO YOU SEE BRAZIL'S ROLE ON THE WORLD SCENE IN THE NEXT FEW YEARS IN TERMS OF POWER AND INFLUENCE?

9. A. WE SEE YOUR COUNTRY AS HAVING A STEADILY GROWING

ROLE TO PLAY WITHIN THE COMMUNITY OF DEVELOPED NATIONS,
WHILE AT THE SAME TIME IT RETAINS ITS ABILITY TO
UNDERSTAND AND WORK WITH VARIOUS FACTIONS IN THE
RANKS OF THE LESS DEVELOPED COUNTRIES. THE U.S.,
OF COURSE, HOPES TO WORK CLOSELY WITH BRAZIL, SINCE
WE EXPECT THAT OUR POLICIES WILL INCREASINGLY SUPPORT
COMMON ASPIRATIONS.

10. IS THE "NEW DIALOGUE" WITH LATIN AMERICA DEAD?
YOU HAVEN'T USED THESE WORDS IN A LONG TIME.

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ACTION ARA-10

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TO SECSTATE WASHDC NIACT IMMEDIATE 3856

INFO AMCONSUL RIO DE JANEIRO

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FOR ARA/PAF, S/PRS (INFO)

10. AHQ LAZELS ITHE A D GOMWHAT# IS IMPORTANT IS
THE INTEREST SHARED BY ALL THE COUNTRIES OF THIS HEMISPHERE
IN ACHIEVING A RELATIONSHIP THAT IS MUTUALLY BENEFICIAL,
OPEN, AND BASED ON TRUST AND CONFIDENCE.
WE FEEL THAT WE ARE ON THE RIGHT TRACK IN OUR BILATERAL
AND MULTILATERAL LINKAGES WITH BRAZIL -- WITNESS THE
JUST-SIGNED MEMORANDUM OF UNDERSTANDING AND THE THRUST
OF OUR JOINT COMMUNIQUE. AND BOTH NATIONS, I FEEL SURE,
WILL CONTINUE TO STRENGTHEN THE VAST AND COMPLEX NETWORK
OF ACTIVITIES AND UNDERSTANDINGS WHICH MAKE UP THE
TREMENDOUSLY IMPORTANT RELATIONS BETWEEN OUR COUNTRIES.

11. Q. THE OTHER DAY IN RIO, AMBASSADOR CRIMMINS DE-
SCRIBED THE ALTERNATIVES BRAZIL HAD IN CHOOSING ITS
POSITION VIS-A-VIS THE THIRD AND FIRST WORLDS. HE SAID
THAT AS HE UNDERSTOOD IT, BRAZILIANS WERE DISCUSSING THE

FOLLOWING ALTERNATIVES: (1) BRAZIL MIGHT JOIN THE LESS DEVELOPED COUNTRIES IMPRESSING THE INDUSTRIAL COUNTRIES FOR ECONOMIC BENEFITS: (2) IT MIGHT FIND ITS MAIN ROLE AS A BRIDGE OR INTERPRETER BETWEEN THE FIRST AND THIRD WORLDS: (3) IT MIGHT OPT NOW FOR ASSOCIATION WITH THE FIRST WORLD. WHERE DO YOU THINK BRAZIL BELONGS?

11. A. AS THE AMBASSADOR SAID IN HIS SPEECH, IT IS CLEARLY NOT FOR US TO COMMENT ON, OR CHOOSE AMONG, LIMITED OFFICIAL USE

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THESE VARIOUS BRAZILIAN OPINIONS ABOUT BRAZIL'S PROPER ROLE IN THE WORLD. THEY ARE DECISIONS WHICH THE GOVERNMENT AND THE PEOPLE OF BRAZIL HAVE TO TAKE.

12. Q. AMBASSADOR CRIMMINS ALSO STATED IN HIS SPEECH THAT BRAZILIAN ASPIRATIONS FOR GREAT POWER STATUS ARE NATURAL, LEGITIMATE AND CONSONANT WITH THE UNITED STATES' OWN INTERESTS. DO YOU AGREE WITH THAT JUDGMENT AND DO YOU AGREE THAT THESE ASPIRATIONS CAN BE REALIZED?

12. A. THE AMBASSADOR'S REMARKS REFLECT A GENERAL JUDGMENT WITHIN THE U.S. GOVERNMENT. WE DO CONSIDER BRAZIL'S DESIRE TO REALIZE ITS GREAT POTENTIAL TO BE ENTIRELY NATURAL AND WE LOOK UPON IT WITH UNDERSTANDING AND SYMPATHY. WE ALSO BELIEVE THAT BRAZIL HAS A VERY GOOD CHANCE OF REALIZING ITS OBJECTIVES.

13. Q. DURING PRESIDENT MEDICI'S VISIT TO THE UNITED STATES IN DECEMBER , 1971, PRESIDENT NIXON SAID IN YOUR PRESENCE, "AS BRAZIL GOES, SO GOES THE HEMISPHERE." DID YOU AGREE WITH THAT STATEMENT BY PRESIDENT NIXON? IF YOU DID, WHAT DO YOU THINK OF THE STATE OF THE HEMISPHERE NOW?

13. A. WELL, PRESIDENT NIXON'S STATEMENT WAS NOT INTENDED IN ANY WAY TO SUGGEST BRAZILIAN HEGEMONY. THAT WAS NOT HIS IDEA, NOR WAS IT OR IS IT THE IDEA THAT BRAZIL PROPOUNDS, AS I UNDERSTAND THE BRAZILIAN POSITION. FOR OUR PART, THE U.S. HAS NO INTENTION OF ENCOURAGING RIVALRIES AMONG THE COUNTRIES OF THE CONTINENT. AS FOR THE STATE OF THE HEMISPHERE, I THINK THAT MANY OF THE COUNTRIES WHICH ARE SUBJECTED TO THE STRAINS BROUGHT ABOUT BY THE EXORBITANT INCREASE IN PETROLEUM PRICES ARE ENCOUNTERING DIFFICULTIES. IT IS TO THOSE AND OTHER DIFFICULTIES THAT I ADDRESSED MYSELF IN MY SEPTEMBER 1 SPEECH TO THE UNITED NATIONS SEVENTH SPECIAL SESSION. I CONSIDER THAT THE PROGRAM LAID OUT IN THAT ADDRESS, IF CARRIED

OUT VIGOROUSLY AND IMAGINATIVELY, AND IN THE SPIRIT OF COOPERATION, CAN DO MUCH TO REDUCE THE STRAINS TO WHICH I REFERRED, AND TO PERMIT A RESUMPTION OF SOUND ECONOMIC LIMITED OFFICIAL USE

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ACTIVITY.

ECONOMIC QUESTIONS:

1. Q. THE ECONOMIC POLICY OF THE US WITH REGARD TO OPENING ITS MARKETS TO THE PRODUCTS OF DEVELOPING COUNTRIES IS CONTRADICTORY. YOU STATED IN TLATELOLCO THAT IT WOULD BE US POLICY TO PERMIT WIDER ACCESS TO YOUR MARKETS. THEN YOU TURNED AROUND AND ESTABLISHED A VERY RESTRICTIVE GENERAL SYSTEM OF TARIFF PREFERENCES. AND RIGHT NOW YOU ARE EITHER APPLYING, OR INVESTIGATING WAYS TO APPLY COUNTERVAILING DUTIES, AND TRYING TO IMPEDE BRAZILIAN EXPORTS OF SHOES, TEXTILES, HANDBAGS, CASTOR OIL AND OTHER ITEMS. HOW DO YOU EXPLAIN THIS CONTRADICTION BETWEEN WHAT THE US SAYS AND WHAT IT DOES?

1. A. FIRST OF ALL, I WOULD NOT CALL OUR GENERALIZED SYSTEM OF TARIFF PREFERENCES RESTRICTIVE. IT ALLOWS DEVELOPING COUNTRIES TO EXPORT MORE THAN 2700 PRODUCTS DUTY FREE TO THE UNITED STATES. OUR GENERALIZED SYSTEM OF PREFERENCES (GSP) IS SIMPLER AND MORE LIBERAL THAN OTHER SUCH SYSTEMS. THE GSP IS AIMED AT HELPING DEVELOPING COUNTRIES TO DIVERSIFY EXPORTS BY HELPING NEW INDUSTRIES TO EXPORT UNTIL SUCH TIME AS THESE INDUSTRIES HAVE BEEN ABLE TO ESTABLISH THEIR COMPETITIVE POSITION. HENCE, THE SO-CALLED COMPETITIVE NEED LIMITATIONS WHICH HAVE BEEN WRITTEN INTO THE ACT. VERY FEW OF THE 500 PRODUCTS ON THE GSP THAT BRAZIL EXPORTS ARE NEAR THE COMPETITIVE NEED CEILINGS. IN ADDITION, PRELIMINARY STUDIES SHOW THAT THERE ARE MANY OTHER NEW PRODUCTS THAT BRAZIL HAS THE ABILITY TO EXPORT DUTY FREE TO THE US IN COMPETITION WITH TRADITIONAL SUPPLIERS WHO WIL HAVE TO CONTINUE TO PAY THE DUTY. SHOES AND TEXTILES ARE EXCLUDED FROM GSP, AND TEXTILE TRADE IS SUBJECT TO A BILATERAL AGREEMENT BETWEEN BRAZIL AND THE US BECAUSE THESE TWO INDUSTRIES ARE EXTREMELY IMPORT SENSITIVE. DESPITE SUBSTANTIAL UNEMPLOYMENT IN THE US, WE WERE ABLE TO OBTAIN CONGRESSIONAL SUPPORT FOR THE PARTS OF THE TRADE ACT MOST BENEFICIAL TO THE LDC'S. THE AUTHORITY TO NEGOTIATE REMOVAL OR REDUCTION LIMITED OFFICIAL USE

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O TARIFFS AND OTHER TRADE BARRIERS AT THE MTN, AND THE POSSIBILITY, OF DEVELOPING A MULTILATERAL CODE GOVERNING EXPORT SUBSIDIES AND COUNTERVAILING ACTION. AT THE SAME TIME WE HAD TO ASSURE CONGRESS THAT CERTAIN IMPORT SENSITIVE INDUSTRIES IN THE US WHERE RATES OF UNEMPLOYMENT HAVE BEEN HIGH WOULD BE ASSISTED.

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INFO AMCONSUL RIO DE JANEIRO

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FOR ARA/PAF, S/PRS (INFO)

THE COUNTERVAILING DUTY LEGISLATION HAS BEEN A PART OF U.S. TRADE LAW SINCE BEFORE THE TURN OF THE CENTURY. IF SUBSIDIES ARE REMOVED SO WILL BE THE COUNTERVAILING DUTIES. IN ADDITION, I MIGHT ADD THAT THE BRAZILIAN SHOE INDUSTRY IS QUITE COMPETITIVE, AND GREATLY INCREASED ITS EXPORTS OF SHOES TO THE U.S. LAST YEAR (B6 \$80 MILLION TO \$130 MILLION), EVEN THOUGH COUNTERVAILING DUTIES HAD BEEN IMPOSED. AS YOU KNOW, THE TRADE ACT IS THE BASIS OF U.S. PARTICIPATION IN THE MULTILATERAL TRADE NEGOTIATIONS IN GENEVA. THESE NEGOTIATIONS ARE AS VITAL TO BRAZIL AS THEY ARE TO THE U.S., TO MANTAIN MOENTUM TOWARD LIBERALIZATION OF WORLD TRADE.

2.Q. BRAZIL'S TRADE DEFICIT WITH THE U.S. WAS
NEARLY 2 BILLION DOLLARS IN 1975, HALF OF BRAZIL'S

TOTAL DEFICIT. WHAT WILL YOU DO TO HELP BRAZIL
NARROW THIS AMOUNT?

2.A. BRAZIL'S TRADE DEFICIT WITH THE U.S. IN 1975,
ACCORDING TO U.S. DATA, WAS JUST UNDER \$1.6 BILLION.
THE TWO MAJOR CONTRICUTORS TO THE DEFICIT WERE
MARKET FACTORS: THE U.S. RECESSION AND THE DECLINE
IN SOME COMMODITY EXPORT PRICES. AS THE U.S. AND
WORLD ECONOMIC RECOVERY PROCEEDS, DEMAND FOR BRAZILIAN
PRODUCTS AND COMMODITY PRICES SHOULD BE EXPECTED TO
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PICK UP. FOR MANY YEARS CHANGES IN BUSINESS ACTIVITY
IN THE U.S., UP OR DONW, HAVE BEEN ACCOMPANIED, WITH
A SLIGHT LAG, BY A SIMILAR MOVEMENT IN IMPORTS. THE
PRINCIPAL REASON FOR THE INCREASE IN THE U.S. SURPLUS IN ITS
TRADE ACCOUNT LAST YEAR WITH THE WORLD AND WITH BRAZIL WAS THE
US RECESSION.

3.Q. THE OAS-SPONSORED MEETINGS CONCERNING THE TRANSFER
OF TECHNOLOGY HAVE COME TO PRACTICALLY NOTHING. I
UNDERSTAND THE MAIN CAUSE IS THAT THE U.S. REFUSES
TO SHARE ITS TECHONOLGY WITH THE REST OF THE WORLD.
WHY NOT?

3.A. IN THE HISTORY OF THE WORLD NO OTHER COUNTRY HAS
EVER SHARD SO MUCH OF ITS TECHNOLOGY DEVELOPED AT HOME
WITH THE REST OF THE WORLD. THIS HAS LARGELY BEEN THE
RESULT OF MARKET FORCES AS A GREAT NUMBER OF NEW PROCESSES
RN BEEN LICENSED TO OVERSEAS MANUFACTURERS OR TRANSFERRED
THROUGH DICT INVESTMENT BY MULTINATIONAL COMPANIES IN
OVERSEAS MANUFACTURING ACTIVITIES.
OTHER IMPORTANT VEHICLES IN THE SPREAD OF U.S. TECHNOLOGY
HAVE BEEN U.S. UNIVERSITIES WHICH HAVE BEEN BOTH THE
GIVERS AS WELL AS THE RECIPIENTS OF NEW TECHNOLOGIES.
IN THE GOVERNMENTAL SPHERE, MUCH TECHNOLOGY HAS BEEN
TRANSFERRED THROUGH LARGE AID PROGRAM. IN THE AGRICULTURAL AREA, THE
ULDPRESXD# THE CREATION OF THE INTERNATIONAL CONSULTATIVE GROUP

FOR AGRICULTURE TO DEVELOP AND STRENGTHEN EXISTING REGIONAL AND SUB-

REGIONAL AGRICULTURAL DEVELOPMENT EFFORTS.
IN THE INDUSTRIAL FVN# PROPOSED THE CREATION
OF AN INTERNATIONAL CENTER FOR THE EXCHANGE OF
TECHNOLOGICAL INFORMATION.

4. MXCO# YOU EVER INTEND TO GET YOUR NEIGHBORS AND
TRADITIONAL FRIENDS IN LATIN AMERICA THE SORT OF
GENEROUS ECONOMIC ASSISTANCE THE US GAVOUTS#
LAROPEH A ES# AFTER THE WAR AND EVEN SOME OF

ITS ENE.IESI# THATZARB#HIN#AMERICA
DEVELOPMENT HAVE HIGHER PRIORITY WITHIN US
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4. A. LATIN AMERICAN ECONOMIC DEVELOPMENT REMAINS OF
UTMOST CONCERN TO U.S. IN RESPONSE TO THEREQUEST
OF BOTH LATIN AMERICAN AND OTHER DEVELOPING NATIONS FOR
"TRADE NOT AID," THE U.S. HAS PUT INTO EFFECT ITS WILLINGNESS TO
NEGOTIATE PREFERENTIAL TREATMENT FOR THE DEVELOPING
COUNTRIES IN THE MIDDLE EAST. THIS PREFERENTIAL TREATMENT
COULD INVOLVE TROPICAL PRODUCTS AND OTHER ITEMS AND ISSUES
OF SPECIAL INTEREST TO LATIN AMERICA. IN ADDITION,
WE MAINTAIN OUR COMMITMENT TO CONSUMER-PRODUCER FORUMS.
ALTHOUGH THE COMMODITY QUESTION IS BY ITS VERY NATURE A
GLOBAL PROBLEM, WE ARE WILLING TO UNDERTAKE BOTH BILATERAL
AND MULTILATERAL APPROACHES WHICH WE BELIEVE PROVIDE A
BASIS FOR REACHING MULTILATERAL AGREEMENTS

5. Q. YOU TALK ABOUT BRAZIL'S POSITION ON THE WORLD
SCENE, AND YOU KNOW WE SUFFER FROM A PETROLEUM SHORTAGE.
YET IN THE NUCLEAR ENERGY FIELD YOU REFUSED TO SHARE
YOUR NUCLEAR TECHNOLOGY WITH US, AND WHEN WE SIGNED
AN ACCORD WITH GERMANY SHE
CAME VERY ANGRY. OTHER
MAJOR STATES THIS NUCLEAR TECHNOLOGY AND THE
ABILITY TO FUEL AND SUPPORT NUCLEAR REACTORS. WHY
DIDN'T YOU SUPPORT US IN THIS IMPORTANT ENERGY AREA?
DID YOU THINK THAT BRAZIL WASN'T RELIABLE OR IMPORTANT
ENOUGH? WAS IT BECAUSE WE HAD NOT SIGNED THE NON-
PROLIFERATION TREATY?

5. A. BRAZIL AND THE USG SIGNED AN AGREEMENT FOR
COOPERATION IN CIVIL USES OF ATOMIC ENERGY ON JULY 17,
1972, OF THE SO-CALLED "RESEARCH AND NUCLEAR
POWER" TYPE. THE AGREEMENT SUPERSEDED ALL PRIOR
AGREEMENTS BETWEEN THE TWO COUNTRIES ON NUCLEAR
COOPERATION AND HAS A LIFETIME OF 30 YEARS.
ENRICHED URANIUM FUEL FOR ANGRA I IS BEING SUPPLIED
UNDER THIS AGREEMENT. THE GOVERNMENT OF BRAZIL
HAS REQUESTED THAT THE US AMEND THIS AGREEMENT
TO PERMIT THE PURCHASE OF ADDITIONAL ENRICHED URANIUM
FROM THE US FOR THE ANGRA II AND III POWER PLANTS.
WE VIEW BRAZIL'S ASPIRATIONS IN THE NUCLEAR AREA
WITH UNDERSTANDING AND ARE INTERESTED IN
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CONTINUING TO PLAY A ROLE IN BRAZIL'S
DEVELOPMENT IN THIS SPHERE.
AT THE SAME TIME, A STRONG INTEREST IN INTERNATIONAL SAFEGUARDS
IN THE NUCLEAR FIELD HAS BEEN A FEATURE OF US POLICY
FOR MANY YEARS.

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FOR ARA/PAF, S/PRS (INFO)

6.Q. THE INTERNATIONAL TRADE COMMISSION HAS JUST RECOMMENDED
IMPORT QUOTAS ON BRAZILIAN SHOES. DID THE TIMING OF THIS
ANNOUNCEMENT HAVE ANYTHING TO DO WITH YOUR VISIT?

6.A. NOTHING WHATSOEVER. I WOULD JUST LIKE TO SAY
THAT WHILE THE U.S. IS MAKING EVERY EFFORT TO LIBERALIZE
TRADE THROUGH THE MULTILATERAL TRADE NEGOTIATIONS, THE
FACT IS THAT CERTAIN OF OUR INDUSTRIES ARE HARD PRESSED BY
IMPORTS, AND UNDER U.S. LAWS ARE ENTITLED TO RELIEF. THE
ITC, AFTER AN INQUIRY INTO ALL THE FACTS, HAS MADE SUCH A
FINDING IN THE CASE OF SHOES. WE UNDERSTAND THE
IMPORTANCE OF SHOE EXPORTS TO BRAZIL. WE EXPECT TO
WORK CLOSELY WITH THE BRAZILIAN GOVERNMENT TO IMPLEMENT
THE NECESSARY IMPORT MEASURES IN AS EQUITABLE A MANNER
AS POSSIBLE.

7.Q. OUR FOREIGN MINISTER RECOMMENDED A NEW NORTH-SOUTH
ECONOMIC "TRANSFER-OF-WEALTH" APPROACH AT THE SEVENTH
SPECIAL SESSION AT THE U.S. WHAT SUPPORT DO YOU GIVE

THIS DOCTRINE?

7.A. WE GAVE CLOSE STUDY OF CHANCELLOR SILVEIRA'S PROPOSAL. WE WELCOME BRAZILIAN INITIATIVES IN INTERNATIONAL FOR A WHICH SEEK TO BRIDGE DEVELOPING A DEVELOPED COUNTRY DIFFERENCES.

HOWEVER, WE PREFERRED TO AVOID STEPS WHICH MIGHT INTERFERE WITH MEASURES ALREADY UNDER CONSIDERATION IN INTERNATIONAL ECONOMIC BODIES, SUCH AS THE MULTILATERAL TRADE NEGOTIATIONS IN GENEVA. AT THE SEVENTH SPECIAL LIMITED OFFICIAL USE

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SESSION WE OUTLINED INITIATIVES WHICH WILL BE OF SPECIAL ASSISTANCE TO THE DEVELOPING COUNTRIES. AN EXAMPLE IS THE PROPOSAL WE PUT FORWARD AT THE SPECIAL SESSION FOR THE CREATION OF A DEVELOPMENT SECURITY FACILITY TO HELP DEVELOPING COUNTRIES TO STABILIZE THEIR OVERALL EXPORT EARNINGS. ANOTHER EXAMPLE IS THE BROAD AUTHORITY THE U.S. HAS TO NEGOTIATE REDUCTION AND REMOVAL OF TARIFF AND OTHER TRADE BARRIERS AT THE MTN, AND THE EMPHASIS WHICH WE HOPE WILL BE GIVEN TO THE VIEWS OF THE DEVELOPING COUNTRIES IN THOSE COUNTRIES AND OTHER PREFERENTIAL TRADING ARRANGEMENTS WHICH WE ARE CONSIDERING WITHIN THE MTN CONTEXT, WE BELIEVE, WILL GO A LONG WAY TOWARD SATISFYING THE REPEATED REQUESTS FROM DEVELOPING COUNTRIES FOR "TRADE NOT AID".

FOLLOWING ARE QUESTIONS WHICH MIGHT BE ASKED ON TOPICS

NOT PRIMARILY RELATED TO BRAZIL. THE EMBASSY BELIEVES THAT IF DRAFT ANSWERS ARE NEEDED, THEY CAN BE APPROPRIATELY SUPPLIED IN THE DEPARTMENT.

1.Q. IS IT TRUE THAT YOU HAVE INSTRUCTED ALL AMERICAN AMBASSADORS TO THREATEN HOST COUNTRIES WITH U.S. RETALIATION IF THOSE COUNTRIES VOTE AGAINST THE U.S. IN INTERNATIONAL ORGANIZATIONS?

2. MANY OF YOUR CRITICS IN BRAZIL SAY THAT "DETENTE" IS IN FACT A GIVING AWAY OF THE U.S. POSITION OF STRENGTH, WHICH WEAKENS THE DEFENSES OF THE WEST. WHAT DO YOU SAY?

E.Q. IS IT TRUE THAT THE USSR IS NOW STRONGER MILITARILY THAN THE U.S., AS PAPERS HERE REPORT?

4.Q. THE U.S. CONGRESS HAS NULLIFIED YOUR EFFORTS TO SUPPORT THE FNLA AND UNITA FACTIONS IN ANGOLA BY RESTRICTING AMERICAN ECONOMIC AND INDIRECT MILITARY SUPPORT. HAVE YOU ANY LEVERAGE LEFT TO APPLY AGAINST THE MPLA AND THE RUSSIANS AND CUBANS?

5.Q. IF THE SOVIETS GAIN POLITICAL CONTROL OVER ANGOLA AND ESTABLISH NAVAL FACILITIES THERE, WILL THIS IMPERIL THE SECURITY OF THE SOUTH ATLANTIC?

IF SO,WHAT WILL THE U.S. DO? WILL YOU FORCE THEIR
REMOVAL? WILL THE RIO TREATY BE INVOKED IN ANY WAY?
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6.Q. YOU SEEM TO BE UNDER A LOT OF CRITICISM LATELY
FROM SOME OF THE AMERICAN PRESS AND SOME MEMBERS OF
THE CONGRESS. ARE YOU GOING TO RESIGN?

7.Q. DO YOU REALLY THINK YOU CAN DO MUCH ABOUT
IMPROVING YOUR RELATIONS WITH LATIN AMERICAN IN SHORT VISIT?

8.Q. OTHER TOPIC WHICH MIGHT ARISE: MIDDLEEAST, MULTI-
NATIONALS, ENERGY, MOYNIHAN, OAS, SALT AND PANAMA
CANAL.
CRIMMINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INSTRUCTIONS, PRESS CONFERENCES, MINISTERIAL VISITS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BRASIL01206
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: FULL TEXT ON MICROFILM
Executive Order: N/A
Errors: N/A
Film Number: P760027-1644
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760265/aaaacfcs.tel
Line Count: 618
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 12
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 28639
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 07 MAY 2004
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Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS QUESTIONS RE SECRETARY'S TRIP
TAGS: OVIP, SOPN, US, BR, XM, (KISSINGER, HENRY A)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006